



Iowa Department of Human Services

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INFORMATIONAL LETTER NO.1208

DATE: January 22, 2013

TO: Iowa Medicaid Screening Centers and Maternal Health Clinics

ISSUED BY: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Procedure Code T1001 and H1003 Revisions

EFFECTIVE: Upon Receipt

Implementation of the National Correct Coding Initiative (NCCI) included editing for Medically Unlikely Edits (MUE). The Centers for Medicare and Medicaid Services (CMS) developed MUEs to limit fraud and coding errors by enforcing a maximum unit of service that a provider is allowed for a single beneficiary on a single date of service without further documentation.

Prior to implementation of the MUEs, the IME had defined “15 minutes units” for procedure codes T1001 and H1003 when used for Iowa Medicaid. With the implementation of MUEs, procedure codes T1001 and H1003 were changed to pay as an **encounter** to be consistent with the national use of the codes and fit within the context of MUE’s (national) editing standard. The IME also increased the reimbursement rate for the codes to be reflective of the encounter.

Not all providers understood this change. Post implementation of MUE, if you billed for either of these services at more than one unit, your claim would have been reduced to one unit, consistent with the new, ongoing policy. However, providers who continued to bill these codes with a charge reflecting (only) a 15 minute increment would have been paid at the provider’s billed charge if it was less than the Medicaid encounter rate. If that is the case and claims underpaid, providers may use the adjustment process to correct the billed amount and units so the claims pay the encounter rate for dates of service as far back as November 1, 2011.

If you have questions, please contact the IME Provider Services Unit at 1-800-338-7909, or locally in Des Moines at 515-256-4609 or email at imeproviderservices@dhs.state.ia.us.